

**Twenty-Seventh Meeting of the
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**Progress in the Coordinated Implementation of the *BPM6*
in the European Union**

**Prepared by the
European Central Bank and Eurostat**



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Coordinated Implementation in the European Union of the IMF Balance of Payments and International Investment Position Manual (6th edition)

For information of the IMF Balance of Payments Committee

Introduction

In the last few years, the IMF Balance of Payments Committee (BOPCOM) has been updated on the steps being taken to implement the revised statistical manuals in the European Union (EU).¹ The most important milestone of this project is coming up with the first release of euro area and EU aggregates on a BPM6 basis by the end of October or beginning of November 2014.

This note summarises the latest developments directly or indirectly related to the implementation of BPM6 in the EU. It starts with a brief recap of the implementation process in Section 1. Section 2 presents the new euro area and EU communication initiatives and

¹ For further details on past reports please consult BOPCOM 13/12, BOPCOM 12/12, BOPCOM 11/05, BOPCOM 10/05 and BOPCOM 09/05.

Section 3 refers to the ongoing initiative to classify by sector the largest international organisations.

1 Background: the European implementation process

In the EU, changes to international statistical standards are translated into new data requirements via the adoption of new EU legal acts. The procedural steps for the revision of the legal base were completed by the end of 2011 and the respective legal acts published thereafter:

- ECB Guideline (**ECB/2011/23**) of 9 December 2011 on the statistical reporting requirements of the European Central Bank in the field of external statistics²;
- Commission Regulation (**EU**) No **555/2012** of 22 June 2012 amending Regulation (EC) No 184/2005 of the European Parliament and of the Council on Community statistics concerning balance of payments, international trade in services and foreign direct investment, as regards the update of data requirements and definitions³.

While translating the new manuals into legal acts, Eurostat and the ECB took the opportunity to simplify their data requests and to increase their coherence, so as to avoid double work for the compilers. The common reporting to Eurostat and the ECB is organised in two data sets: Monthly Balance of Payments and Quarterly BoP and IIP. These two datasets to be reported to Eurostat and the ECB are identical in every detail. Compared to the reporting that previously was due in the EU under BPM5, the new BPM6 reporting includes significantly more detail for transactions and positions and an increased geographical breakdown.

The first transmission to Eurostat and the ECB of data compiled according to BPM6 took place on 24 June 2014; covering the first quarter of 2014 and monthly data for the January-April 2014 period. Additional back data (from 1999 onwards) was reported in the course of September 2014; these data are mostly converted from BPM5.

² http://www.ecb.europa.eu/ecb/legal/pdf/1_06520120303en00010044.pdf

³ <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2012:166:0022:0066:EN:PDF>

The first publication of European aggregates compiled according to BPM6, including partial back data, will take place by end-October/beginning-November 2014. Due to the heterogeneous availability of BPM6 back data across the EU, the process of estimating longer euro area and EU aggregates' time series on a BPM6 basis is technically complicated and will require some additional time. Therefore, additional back data will be made gradually available in the months following the first publication of BPM6-based EU and EA aggregates.

Information on this change-over process is available on a joint ECB/Eurostat webpage (<http://www.ecb.europa.eu/stats/external/bpm6/html/index.en.html>). At national level, most EU countries have already released data following the new standards; see annex 1 for an overview of the national introduction of BPM6 and ESA 2010 in the EU.

The adoption of the new statistical standards will lead to revisions in the national accounts and balance of payments statistics published in the past. Most statistical institutes and central banks in the EU have also taken the opportunity to simultaneously upgrade statistical compilation methods and sources. Therefore, only part of the revisions will be due to the introduction of the new standards; the rest will be the result of updates stemming from the incorporation of new data sources (e.g. new surveys) or improvements in the compilation and estimation methods.

2 The new BOP/IIP press and news releases

The ECB published, on 17 July 2014, the indicative calendar for Governing Council meetings in 2015, which unveiled a change in the timetable for monetary policy decisions. The Governing Council decided that meetings dedicated to monetary policy will be held every six weeks instead of once a month, starting in January 2015. As a consequence, the release of quarterly b.o.p./i.i.p. data will always take place in those months (January, April, July and October) where Governing Council meetings dedicated to monetary policy decisions take place in the third week. This development facilitates the objective of releasing quarterly data at the latest 1 week before the Governing Council meeting involving monetary policy decisions.

Currently, the ECB issues 13 press releases (PR) on b.o.p./i.i.p. per year. These are: i) 8 ‘pure’ monthly b.o.p. press releases; ii) 4 combined monthly b.o.p. and quarterly i.i.p. press releases; and iii) 1 annual press release covering the so-called ‘step 3’ data, i.e. quarterly b.o.p. and annual i.i.p. with geographical detail (including an estimate for the breakdown of other flows).

The improvement in the timeliness of the quarterly data transmissions and the revised timetable for the Governing Council meetings on monetary policy decisions would prevent the current practice of combining monthly and quarterly data in a single press release. In this context, also taking into account that data currently provided with annual frequency will be reported quarterly, a rescheduling of the b.o.p./i.i.p. press releases is likely. For BPM6, the ECB may issue 16 press releases: i) 12 monthly b.o.p. press releases and ii) 4 quarterly b.o.p./i.i.p. press releases. The monthly b.o.p. press releases will continue to be published 4 working days after reception of the national data, while the quarterly versions will be published approximately 10 calendar days after data reception.

As regards Eurostat, the last news release for b.o.p. data based on the BPM5 was issued on 5 September 2014 (for Q2/2014 - 1st release). In this news release a pre-announcement was made stating that starting with the next news release, the b.o.p. data will be based on BPM6 methodology. The next b.o.p. news release will be issued on 30 October (for Q2/2014 – 2nd release), fully based on the new methodological requirements of the BPM6. An annex explaining the main changes will be provided. The impact of this new methodology is expected to be minor. The next news releases on quarterly b.o.p. will be issued on 19 November 2014 (Q3/2014 - 1st release), 13 January 2015 (Q3/2014 – 2nd release), 20 February 2015 (Q4/2014 – 1st release) and 9 April 2015 (Q4/2014 – 2nd release). Eurostat will start publication of news releases with monthly b.o.p. data as of reference month January 2015, in March 2015. The release schedule will be one news release per month, describing monthly data for the EU28 and the Euro area (source: the ECB). The monthly news releases will not include data of the individual Member States of the European Union, in view of a limited coverage. However, a link to the Eurostat database (Eurobase) will be provided. There will be an additional quarterly news release issued for the second quarterly estimate, containing detailed data at the level of the EU28, the Euro Area (source: ECB) and the individual Member States of the European Union. The envisaged number of news releases is

14 in 2015 (4 quarterly and 10 monthly news releases) and 16 from 2016 onwards (4 quarterly and 12 monthly news releases).

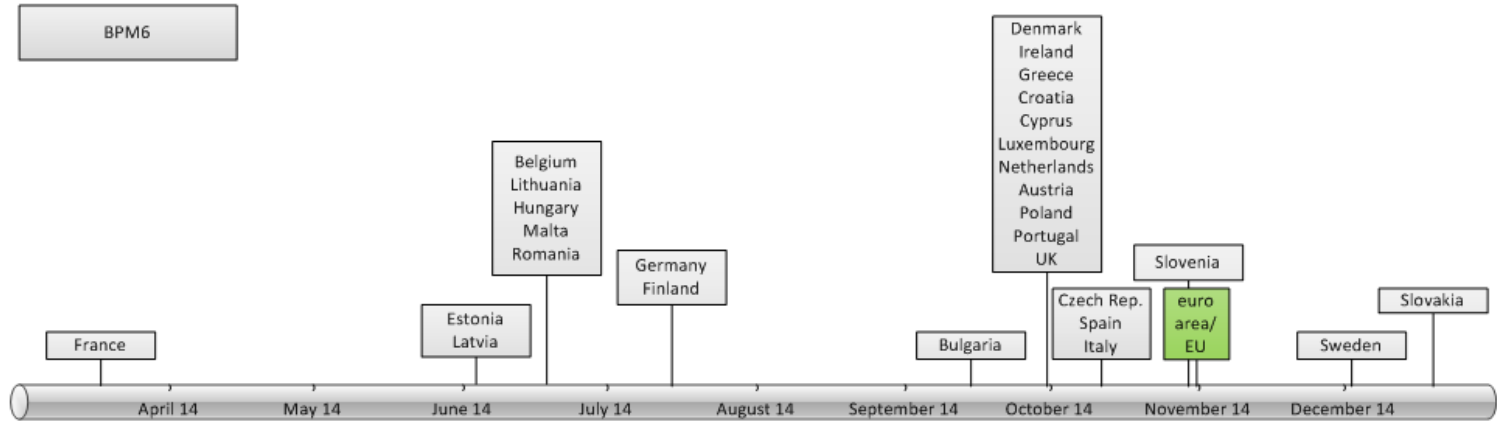
3 Sectorisation of international organisations

The new Guideline ECB/2011/23 and Commission Regulation (EU) No 555/2012 require the reporting quarterly portfolio investment (income, financial transactions and international investment position) credits/assets with a breakdown by counterpart issuing sector. At national level, portfolio investment is compiled on a security-by-security basis; hence relying on reference information stored in the Centralised Securities Database (CSDB), particularly as regards residency and sectorisation of issuers of securities.

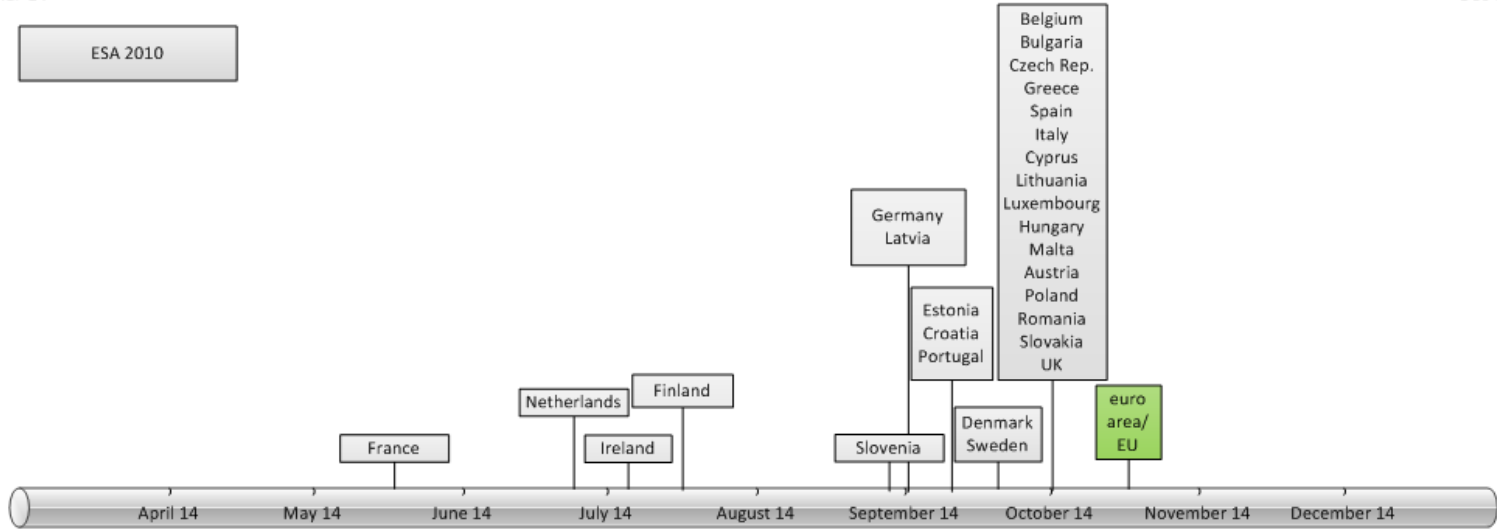
To satisfy this requirement a detailed classification of international organisations (IOs) is needed. For this purpose, the ECB with the support of the Working Group on External Statistics, Eurostat, the IMF and the BIS, has identified approximately 140 sizeable international organisations around the world and classified them by sector (see Annex 1). The vast majority of classifications is uncontroversial, however there are still outstanding classification issues. These difficulties arise primarily from the fact that international organisations (except regional) are treated as belonging to the rest of the world (sector) and no further sectoring is envisaged in the existing statistical manuals.

ANNEX 1

Schedule for the release of statistics in line with the BPM6 and the ESA 2010 in the EU



Mar-14 Dec-14



Mar-14 Dec-14

ANNEX 2

Proposed classification of international organisations

Code (BOP-DSD)	International organisation	Acronym / website	Head office / Location	EU (Y/N)	Sectorisation (current recommendation)
5D	African Development Bank	AfDB	Abidjan	N	S125
	African Development Bank Group	AfDB	Abidjan	N	S125
5Q	African Development Fund	AfDF	Abidjan	N	S125
7H	African Export-Import Bank	Afeximbank	Cairo	N	S122
	African Union	AU	Addis Ababa	N	S13
5U	Andean Development Corporation	ADC	Caracas	N	S122
5N	Arab Bank for Economic Development in Africa	BADEA	Khartoum	N	S125
	Arab Fund for Economic and Social Development	AFESD	Kuwait	N	S125
5M	Arab Monetary Fund	AMF	Abu Dhabi	N	S125
	Asian Clearing Union	ACU	Tehran	N	S125
5E	Asian Development Bank	ADB	Manila	N	S125
5R	Asian Development Fund	AsDF	Manila	N	S125
	Association of Southeast Asian Nations	ASEAN	Jakarta	N	S13
5B	Bank for International Settlements	BIS	Basel	N	S121/S125
5W	Banque des Etats de l'Afrique Centrale	BEAC	Yaoundé (Cameroon)	N	S121
7G	Black Sea Trade and Development Bank	BSTDB	Thessaloniki	N	S125
	Caribbean Community and Common Market	CARICOM	Georgetown (Guyana)	N	S13
5L	Caribbean Development Bank	CDB	St Michael (Barbados)	N	S125
5P	Central African States Development Bank	CASDB	Brazzaville	N	S125
5T	Central American Bank for Economic Integration	CABEI	Tegucigalpa	N	S122
	Central American Common Market	CACM	Guatemala City	N	S13
	Colombo Plan	-	Colombo	N	S13
4J7	Committee of Regions	CR	Brussels	Y	S13
6C	Council of Europe	CE	Strasbourg	Y	S13
7E	Council of Europe Development Bank	-	Paris	Y	S125
4J2	Council of the European Union	CEU	Brussels	Y	S13
4J4	Court of Auditors	CA	Luxembourg	Y	S13
4J3	Court of Justice	CJ	Luxembourg	Y	S13
	East African Development Bank	EADB	Kampala	N	S125
5I	Eastern Caribbean Central Bank	ECCB	St.Kitts (West Indies)	N	S121
4J6	Economic and Social Committee	ESC	Brussels	Y	S13
	Economic Community of West African States	ECOWAS	Abuja	N	S13
	ECOWAS Bank for Investment and Development	EBID	Lomé (Togo)	N	S125
4R	EU-Africa Infrastructure Trust Fund	-	Luxembourg	Y	S13
7C	Eurasian Development Bank	EDB	Almaty (Kazakhstan)	N	S125
4U	European Atomic Energy Community	Euratom	Brussels	Y	S13
5F	European Bank for Reconstruction and Development	EBRD	London	N	S125
4T1	European Banking Authority	EBA	London	Y	S126

6K	European Broadcasting Union	EBU	Geneva	N	S13
4F	European Central Bank	ECB	Frankfurt	Y	S121
6N	European Centre for Medium-Range Weather Forecasts	ECMWF	Reading (UK)	N	S13
4D	European Commission	EC	Brussels	Y	S13
4H	European Community of Steel and Coal	ECSC	Luxembourg	Y	S13
7M	European Company for the Financing of Railroad Rolling Stock	EUROFIMA	Basel	N	S125
4J5	European Council	Council	Brussels	Y	S13
4E	European Development Fund	EDF	Brussels	Y	S13
	European Free Trade Association	EFTA	Geneva	N	S13
4T3	European Insurance and Occupational Pensions Authority	EIOPA	Frankfurt	Y	S126
4C	European Investment Bank	EIB	Luxembourg	Y	S125
4G	European Investment Fund	EIF	Luxembourg	Y	S125
6I	European Molecular Biology Laboratory	EMBL	Grenoble	N	S13
6L	European Organisation for the Exploitation of Meteorological Satellites	EUMETSAT	Darmstadt (Germany)	N	S13
6G	European Organisation for the Safety of Air Navigation	EUROCONTROL	Brussels	N	S13
6P	European Organization for Nuclear Research	CERN	Geneva	N	S13
4J1	European Parliament	EP	Brussels/Strasbourg	Y	S13
6F	European Patent Office	EPO	Munich	N	S13
4T2	European Securities and Markets Authority	ESMA	Paris	Y	S126
6M	European Southern Observatory	ESO	Munich	N	S13
6E	European Space Agency	ESA	Paris	N	S13
4S	European Stability Mechanism	ESM	Luxembourg	Y	S125
4V	Facility for Euro-Mediterranean Investment and Partnership	FEMIP	Luxembourg	Y	S125
7K	Fonds Belgo-Congolais D'Amortissement et de Gestion	RDC	Brussels	N	S13
1J	Food and Agricultural Organization	FAO	Rome	N	S13
7I	Foreign Trade Bank of Latin America	Bladex	Panama	N	S122
5C	Inter-American Development Bank	IADB	Washington	N	S125
5G	Inter-American Investment Corporation	IIC	Washington	N	S125
	Intergovernmental Council of Copper Exporting Countries	CIPEC	Paris	N	S13
1R	International Atomic Energy Agency	IAEA	Vienna	N	S13
5J	International Bank for Economic Cooperation	IBEC	Moscow	N	S125
1E	International Bank for Reconstruction and Development - World Bank	IBRD	Washington	N	S125
1G	International Centre for Settlement of Investment Disputes	ICSID	Washington	N	S126
	International Civil Aviation Organization	ICAO	Montreal	N	S13
	International Cocoa Organization	ICCO	London	N	S13
	International Coffee Organization	ICO	London	N	S13
6D	International Committee of the Red Cross	ICRC	Geneva	N	S13
	International Copper Study Group	ICSG	Lisbon	N	S13
	International Cotton Advisory Committee	ICAC	Washington	N	S13
1F	International Development Association	IDA	Washington	N	S125
1M	International Finance Corporation	IFC	Washington	N	S125
7L	International Finance Facility for Immunisation	IFFIm	London	N	S13
1L	International Fund for Agricultural Development	IFAD	Rome	N	S125

	International Grains Council	IGC	London	N	S13
5K	International Investment Bank	IIB	Moscow	N	S125
	International Jute Study Group	IJSG	Dhaka	N	S13
1S	International Labour Organization	ILO	Geneva	N	S13
	International Lead and Zinc Study Group	ILZSG	Lisbon	N	S13
	International Maritime Organization	IMO	London	N	S13
	International Maritime Satellite Organization	INMARSAT	London	N	S13
1C	International Monetary Fund	IMF	Washington	N	S121/S125
	International Olive Oil Council	IOOC	Madrid	N	S13
6Q	International Organisation for Migration	IOM	Geneva	N	S13
	International Rubber Study Group	IRSG	London	N	S13
	International Sugar Organization	ISO	London	N	S13
1T	International Telecommunication Union	ITU	Geneva	N	S13
7F	International Union of Credit and Investment Insurers	Berne Union	London	N	S126
7B	Islamic Development Bank	IDB	Jeddah	N	S125
4T	Joint Committee of the European Supervisory Authorities	-	London	Y	S126
	Latin American and the Caribbean Economic System	SELA	Caracas	N	S13
	Latin American Association of Development Financing Institutions	ALIDE	Lima	N	S126
	Latin American Energy Organization	OLADE	Quito	N	S13
	Latin American Integration Association	LAIA	Montevideo	N	S13
7J	Latin American Reserve Fund	LARF	Bogotá	N	S122
	League of Arab States	LAS	Cairo	N	S13
1N	Multilateral Investment Guarantee Agency	MIGA	Washington	N	S125
4I	Neighbourhood Investment Facility	NIF	Rome	Y	S13
5H	Nordic Investment Bank	NIB	Helsinki	N	S125
6B	North Atlantic Treaty Organisation	NATO	Brussels	N	S13
	OPEC Fund for International Development	OFID	Vienna	N	S125
6O	Organisation for Economic Co-operation and Development	OECD	Paris	N	S13
	Organisation of Eastern Caribbean States	OECS	Castries (St Lucia)	N	S13
	Organization of American States	OAS	Washington	N	S13
	Organization of Arab Petroleum Exporting Countries	OAPEC	Safat (Kuwait)	N	S13
	Organization of Central American States	OCAS	San Salvador	N	S13
	Organization of the Petroleum Exporting Countries	OPEC	Vienna	N	S13
7D	Paris Club Creditor Institutions	Paris Club	Paris	N	S13
	South Asian Association for Regional Cooperation	SAARC	Kathmandu	N	S13
5S	Special Development Fund (related to the Caribbean Development Bank)	SDF	St Michael (Barbados)	N	S125
1O	United Nations Children's Fund	UNICEF	New York	N	S13
1U	United Nations, its committees, funds and programmes, other	-	New York	N	S13
	United Nations Conference on Trade and Development	UNCTAD	Geneva	N	S13
1H	United Nations Educational, Scientific and Cultural Organization	UNESCO	Paris	N	S13
	Universal Postal Union	UPU	Berne	N	S11
5O	West African Central Bank	BCEAO	Dakar	N	S121
7A	West African Economic and Monetary Union	WAEMU	Ouagadougou	N	S13

	West African Economic Community	WAEC	Ouagadougou	N	S13
	West African Health Organisation	WAHO	Bobo-Dioulasso (Burkina Faso)	N	S13
	West African Monetary Agency	WAMA	Freetown (Sierra Leone)	N	S13
	West African Monetary Institute	WAMI	Accra (Ghana)	N	S13
	World Council of Churches	WCC	Geneva	N	S15
1K	World Health Organization	WHO	Geneva	N	S13
	World Intellectual Property Organization	WIPO	Geneva	N	S13
	World Meteorological Organization	WMO	Geneva	N	S13
	World Tourism Organization	UNWTO	Madrid	N	S13
1D	World Trade Organization	WTO	Geneva	N	S13